

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket Nos. D.T.E. 02-24/25
Responses to the Department's Seventh Set of Information Requests

Request No. DTE 7- 32 (Electric):

Refer to Sch. MHC 7-18 (Electric). Please provide a brief (i.e., 2 or 3 sentence) description of each of the amortizations referenced, along with the calculations used to derive the annualized amount, the amortization period, and proposed adjustments.

Response:

Below is a brief description of each amortization:

- DTE 99-118 Proceeding – This represents costs incurred for Rate Case Expense from DTE 99-118. The amortization period used is contained in DTE 99-118.
- Technology Systems – This represents costs incurred for computer software additions to support our computer system infrastructure.
- Customer Information System – This represents costs incurred with upgrading the FG&E's accounting system to conform with restructuring requirements.
- Internet Web Site – This represents cost incurred to design, develop and implement the FG&E's web-based customer system.
- Load Reporting System – This represents the costs to implement FG&E's load estimation software to conform with restructuring requirements.

Please see Attachment DTE-7-32 for calculations used to derive the annualized amount, amortization period, and proposed adjustments.

Based on the reallocations made and filed on Exhibit FGE-MHC-6 (Electric) and Exhibit FGE-MHC-6 (Gas) and recalculations, the following adjustments should be made to the filed amounts per MHC-7-18 (Electric) and MHC-7-21 (Gas):

On MHC-7-18 (Electric), Technology Systems should be \$9,078 instead of \$14,767; Customer Information System should be \$105,039 instead of \$121,116; Internet Web Site should be \$10,623 instead of \$13,044; and Load Reporting System should be \$40,215 instead of \$48,240.

On MHC-7-21 (Gas), Customer Information System Development should be \$87,095 instead of \$66,948; Internet Web Site Development should be \$9,163 instead of \$6,840; Technology Services Development should be \$3,506 instead of \$2,688; LERS Logica System Development should be \$34,687 instead of \$26,664.

This would result in an increase of \$31,311 in the filed adjustments for MHC-7-21 (Gas) (an increase from \$129,666 to \$160,977) and a decrease on in the filed adjustments for MHC-7-18 (Electric) of \$32,212 (from \$252,442 to \$220,230). The total Annualized Amount decreased \$901.

Person Responsible: Mark H. Collin

Description	Original Amount	Amort Period	Date In Service	Annualized Amount	**		**		Per Filing		Variances	
					46.31% Gas Allocation	53.69% Electric Allocation	Gas	Electric	Gas	Electric	Gas	Electric
DTE 99-118 Proceeding	386,926	84	Oct-01	55,275		55,275		55,275		55,275	-	(0)
Computer Software												
5yr - Gas	132,632	60	various	26,526	26,526			26,526			(0)	-
5yr - Electric	45,391	60	various	9,078		9,078				14,767	-	5,689
Customer Information System	1,144,086	73	Dec-01	188,069	87,095	100,974		66,948		121,116	(20,147)	20,142
Tech Services	37,854	60	Nov-01	7,571	3,506	4,065		2,688		0	(818)	(4,065)
Web Site Development	90,684	55	Oct-01	19,786	9,163	10,623		6,840		13,044	(2,323)	2,421
LEERS Logica System Development	374,510	60	Nov-01	74,902	34,687	40,215		26,664		48,240	(8,023)	8,025
				381,207	160,977	220,230		129,666		252,442	(31,311)	32,212

** Schedule updated for proposed Gas and Electric allocation change and filed in Exhibit FGE-MHC-6 (Gas) and Exhibit FGE-MHC-6 (Electric).